

ND PUBLIC EMPLOYEES RETIREMENT SYSTEM
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2005

	May-05				April-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Allocation		Month	Net ROR	Allocation		Month	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net ROR	Net ROR	Net ROR	Ended 6/30/2004 Net	Ended 6/30/2004 Net
	Market Value	Actual			Policy	Market Value			Actual	Policy			Market Value	Actual			Policy	Market Value						
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
LA Capital	64,300,605	4.4%	4.5%	4.10%	62,124,809	4.4%	4.5%	-1.93%	63,330,105	4.4%	4.5%	-1.12%	63,381,809	4.5%	4.5%	10.52%	57,289,937	4.4%	4.5%	-4.17%	6.93%	N/A	N/A	N/A
Total Structured Growth	64,300,605	4.4%	4.5%	4.10%	62,124,809	4.4%	4.5%	-1.93%	63,330,105	4.4%	4.5%	-1.12%	63,381,809	4.5%	4.5%	10.52%	57,289,937	4.4%	4.5%	-4.17%	6.93%	19.20%	-5.87%	-7.07%
Russell 1000 Growth				4.84%				-1.90%				-4.10%				9.17%				-5.23%	2.05%	17.88%	-3.74%	-6.48%
Structured Value																								
LSV	71,045,198	4.9%	4.5%	3.74%	68,909,006	4.8%	4.5%	-2.41%	70,589,763	4.9%	4.5%	1.39%	68,939,391	4.9%	4.5%	9.12%	63,142,110	4.8%	4.5%	3.11%	15.49%	29.44%	9.20%	8.31%
Russell 1000 Value				2.41%				-1.79%				0.09%				10.38%				1.54%	12.82%	21.13%	2.96%	0.64%
Enhanced Russell 1000 Index																								
LA Capital	86,274,895	5.9%	6.0%	2.76%	84,454,477	5.9%	6.0%	-2.40%	86,519,563	6.0%	6.0%	-0.98%	83,813,243	5.9%	6.0%	9.18%	76,718,414	5.8%	6.0%	-2.24%	5.99%	18.59%	-0.17%	N/A
Russell 1000				3.54%				-1.84%				-1.91%				9.80%				-1.81%	7.49%	19.48%	-0.32%	N/A
Enhanced S&P 500 Index																								
Northern Trust	86,622,341	6.0%	6.0%	3.25%	84,336,692	5.9%	6.0%	-1.95%	85,998,383	6.0%	6.0%	-1.90%	84,480,927	6.0%	6.0%	9.18%	77,325,237	5.9%	6.0%	-2.17%	6.09%	19.00%	-0.31%	N/A
Westridge	86,340,854	5.9%	6.0%	3.21%	84,156,766	5.9%	6.0%	-1.87%	85,741,213	5.9%	6.0%	-2.09%	84,258,203	6.0%	6.0%	9.50%	77,034,816	5.9%	6.0%	-1.94%	6.48%	19.30%	-0.36%	N/A
Total Enhanced S&P 500 Index	172,963,195	11.9%	12.0%	3.23%	168,493,458	11.8%	12.0%	-1.91%	171,739,596	11.9%	12.0%	-1.99%	168,739,130	11.9%	12.0%	9.34%	154,360,118	11.8%	12.0%	-2.13%	6.20%	19.81%	-0.24%	N/A
S&P 500				3.18%				-1.90%				-2.15%				9.23%				-1.87%	6.17%	19.11%	-0.69%	N/A
S&P 500 Index																								
State Street	42,718,964	2.9%	3.0%	3.18%	41,628,599	2.9%	3.0%	-1.90%	42,434,470	2.9%	3.0%	-2.12%	42,923,070	3.0%	3.0%	9.23%	39,268,327	3.0%	3.0%	-1.87%	6.19%	19.08%	-0.67%	-2.17%
S&P 500				3.18%				-1.90%				-2.15%				9.23%				-1.87%	6.17%	19.11%	-0.69%	-2.20%
TOTAL LARGE CAP DOMESTIC EQUITY	437,302,858	30.1%	30.0%	3.34%	425,610,349	29.9%	30.0%	-2.09%	434,613,497	30.1%	30.0%	-1.14%	427,796,643	30.2%	30.0%	9.44%	390,778,905	29.8%	30.0%	-1.59%	7.73%	20.38%	0.08%	-2.14%
S&P 500				3.18%				-1.90%				-2.15%				9.23%				-1.87%	6.17%	19.11%	-0.69%	-2.20%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	149,488,276	10.3%	10.0%	6.72%	133,600,787	9.4%	10.0%	-5.52%	141,454,312	9.8%	10.0%	-5.09%	155,365,101	11.0%	10.0%	14.79%	135,169,121	10.3%	10.0%	-3.59%	5.90%	33.33%	5.76%	N/A
Russell 2000 + 200bp				6.71%				-5.56%				-4.86%				14.64%				-2.36%	7.32%	35.99%	8.43%	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	149,488,276	10.3%	10.0%	6.72%	133,600,787	9.4%	10.0%	-5.52%	141,454,312	9.8%	10.0%	-5.09%	155,365,101	11.0%	10.0%	14.79%	135,169,121	10.3%	10.0%	-3.59%	5.90%	33.33%	5.76%	6.81%
Russell 2000				6.55%				-5.73%				-5.34%				14.09%				-2.86%	5.38%	33.36%	6.24%	6.63%
INTERNATIONAL EQUITY																								
Large Cap - Core																								
State Street	15,156,052	1.0%	1.0%	0.07%	15,160,715	1.1%	1.0%	-2.30%	15,514,991	1.1%	1.0%	-0.17%	15,537,847	1.1%	1.0%	10.22%	26,805,666	2.0%	2.0%	-1.24%	6.24%	27.44%	0.42%	-1.44%
MSCI EAFE (1)				0.05%				-2.35%				-0.17%				11.69%				-0.72%	8.15%	26.98%	-1.27%	-1.15%
Large Cap - Active																								
Capital Guardian	44,605,216	3.1%	3.0%	2.28%	43,630,292	3.1%	3.0%	-2.62%	44,792,232	3.1%	3.0%	0.68%	44,441,060	3.1%	3.0%	10.34%	64,488,204	4.9%	5.0%	-1.48%	9.01%	25.40%	-1.15%	1.54%
LSV	43,333,727	3.0%	3.0%	1.74%	42,669,334	3.0%	3.0%	-2.86%	43,874,952	3.0%	3.0%	3.57%	42,260,547	3.0%	3.0%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Transition Account	80	0.0%	0.0%	N/A	80	0.0%	0.0%	N/A	(76)	0.0%	0.0%	N/A	(5,616)	0.0%	0.0%	0.00%	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Bank of Ireland	14,866,103	1.0%	1.0%	0.31%	14,851,018	1.0%	1.0%	-1.57%	15,071,735	1.0%	1.0%	-1.88%	15,341,679	1.1%	1.0%	16.02%	13,174,680	1.0%	1.0%	-1.07%	11.20%	23.61%	N/A	N/A
Total Large Cap - Active	102,805,127	7.1%	7.0%	1.76%	101,150,724	7.1%	7.0%	-2.57%	103,738,842	7.2%	7.0%	1.49%	102,037,670	7.2%	7.0%	11.63%	77,662,885	5.9%	6.0%	-1.41%	10.75%	25.11%	-0.79%	1.76%
MSCI EAFE - 50% Hedged				2.10%				-2.47%				1.71%				11.11%				-0.72%	11.72%	26.98%	-1.27%	-1.15%
Small Cap - Active																								
Lazard	14,958,991	1.0%	1.0%	-0.54%	15,076,184	1.1%	1.0%	-3.34%	15,592,755	1.1%	1.0%	3.98%	14,979,685	1.1%	1.0%	16.15%	14,085,757	1.1%	1.0%	0.76%	16.99%	44.40%	N/A	N/A
Wellington	14,836,566	1.0%	1.0%	0.65%	14,780,756	1.0%	1.0%	-3.15%	15,258,750	1.1%	1.0%	3.96%	14,664,511	1.0%	1.0%	13.12%	12,921,174	1.0%	1.0%	-4.63%	9.33%	42.26%	N/A	N/A
Total Small Cap - Active	29,795,558	2.1%	2.0%	0.05%	29,856,940	2.1%	2.0%	-3.25%	30,851,505	2.1%	2.0%	3.97%	29,644,196	2.1%	2.0%	14.63%	27,006,931	2.1%	2.0%	-1.92%	13.15%	43.25%	N/A	N/A
Citigroup Broad Market Index < \$2BN				-0.10%				-2.20%				4.58%				16.82%				-0.82%	18.37%	47.95%	N/A	N/A
TOTAL INTERNATIONAL EQUITY	147,756,737	10.2%	10.0%	1.24%	146,168,379	10.3%	10.0%	-2.68%	150,105,338	10.4%	10.0%	1.82%	147,219,713	10.4%	10.0%	11.66%	131,475,481	10.0%	10.0%	-1.47%	10.36%	29.19%	2.00%	1.63%
MSCI EAFE - 50% Hedged				2.10%				-2.47%				1.71%				11.11%				-0.72%	11.72%	26.98%	-1.27%	-1.15%
EMERGING MARKETS EQUITY																								
Capital Guardian	80,930,585	5.6%	5.0%	4.81%	77,216,713	5.4%	5.0%	-1.82%	78,649,206	5.4%	5.0%	2.06%	77,057,547	5.4%	5.0%	15.37%	66,748,065	5.1%	5.0%	7.64%	30.43%	27.91%	8.93%	2.83%
MSCI Emerging Markets Free				3.52%				-2.67%				1.94%				17.27%				8.25%	30.39%	33.50%	13.09%	3.25%
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	42,677,991	2.9%	2.9%	1.10%	42,505,145	3.0%	2.8%	1.11%	41,822,267	2.9%	2.9%	-0.85%	33,256,225	2.4%	2.5%	1.25%	32,846,945	2.5%	2.4%	3.67%	6.38%	2.02%	8.00%	8.39%
Lehman Aggregate				1.08%				1.35%				-0.48%				0.96%				3.20%	6.22%	0.32%	6.35%	6.95%
Active Duration																								
WestAM (Criterion)	26	0.0%	0.0%	N/A	28,753	0.0%	0.0%	N/A	111,706	0.0%	0.0%	-3.95%	32,797,675	2.3%	2.5%	1.06%	32,455,709	2.5%	2.4%	2.75%	N/A	-0.25%	5.14%	6.43%

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	May-05				April-05				March-05				December-04				September-04				Current	Prior Year	3 Years	5 Years
	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Month	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Market Value	Allocation	Actual	Quarter	Fiscal YTD	FY04	Ended	Ended
				Net ROR				Net ROR				Net ROR				Net ROR				Net ROR	Net ROR	6/30/2004	6/30/2004	
																						Net	Net	
BBB Average Quality																								
Wells Capital (formerly Strong)	43,010,613	3.0%	2.9%	2.82%	42,706,295	3.0%	2.8%	1.21%	42,033,452	2.9%	2.9%	-0.70%	33,418,092	2.4%	2.5%	3.94%	32,084,003	2.4%	2.4%	4.62%	12.36%	1.29%	6.26%	7.23%
<i>Lehman BBB</i>				1.67%				0.94%				-1.57%				1.69%				4.76%	7.61%	1.23%	8.23%	6.60%
Timberland																								
RMK	40,135,850	2.8%	2.8%	-0.07%	40,378,764	2.8%	2.8%	-2.43%	41,179,794	2.9%	2.9%	-0.21%	40,962,734	2.9%	2.9%	8.02%	38,262,677	2.9%	2.9%	3.86%	9.15%	10.46%	N/A	N/A
TIR	110,645,052	7.6%	7.6%	-0.10%	111,346,092	7.8%	7.8%	1.82%	108,817,610	7.5%	7.5%	48.49%	73,151,431	5.2%	5.2%	0.43%	73,069,727	5.6%	5.6%	N/A	N/A	N/A	N/A	N/A
Total Timberland	150,780,903	10.4%	10.4%	-0.09%	151,724,856	10.7%	10.7%	0.66%	149,997,404	10.4%	10.4%	31.16%	114,114,165	8.1%	8.1%	3.04%	111,332,404	8.5%	8.5%	3.86%	41.15%	10.46%	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	351,653,187	24.2%	24.0%	0.90%	351,271,580	24.7%	24.0%	0.59%	345,964,520	24.0%	24.0%	9.94%	325,354,003	23.0%	24.0%	2.69%	317,100,371	24.2%	24.0%	2.69%	17.67%	5.08%	6.35%	7.34%
<i>Lehman Aggregate</i>				1.08%				1.35%				-0.48%				0.96%				3.20%	6.22%	0.32%	6.35%	6.95%
HIGH YIELD BONDS																								
Loomis Sayles	36,043,737	2.5%	2.5%	2.25%	35,452,585	2.5%	2.5%	-1.40%	35,939,253	2.5%	2.5%	-1.32%	36,423,318	2.6%	2.5%		33,996,575	2.6%	2.5%		13.23%	N/A	N/A	N/A
<i>Lehman High Yield Cash Pay Index</i>				1.62%				-0.94%				-1.63%								8.71%	N/A	N/A	N/A	N/A
Sutter/Wells Capital	34,714,720	2.4%	2.5%	1.32%	34,438,219	2.4%	2.5%	-1.20%	34,828,846	2.4%	2.5%	-1.35%	35,307,858	2.5%	2.5%		33,962,583	2.6%	2.5%		7.00%	N/A	N/A	N/A
<i>Merrill Lynch High Yield Master II Index</i>				1.81%				-1.10%				-1.44%								8.57%	N/A	N/A	N/A	N/A
TOTAL HIGH YIELD BONDS	70,758,457	4.9%	5.0%	1.79%	69,890,803	4.9%	5.0%	-1.30%	70,768,100	4.9%	5.0%	-1.34%	71,731,176	5.1%	5.0%		67,959,158	5.2%	5.0%		10.08%	7.69%	6.68%	2.79%
<i>Lehman High Yield Bond Index</i>				1.78%				-0.97%				-1.61%								8.72%	10.33%	9.30%	4.78%	
INTERNATIONAL FIXED INCOME																								
International Sovereign																								
UBS Global (Brinson)	33,673,341	2.3%	2.5%	-2.87%	34,797,075	2.4%	2.5%	1.37%	34,318,257	2.4%	2.5%	-3.31%	35,444,859	2.5%	2.5%	10.41%	31,745,541	2.4%	2.5%	3.06%	8.32%	7.86%	14.20%	6.47%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-2.84%				1.42%				-3.10%				10.63%				3.29%	9.11%	7.59%	13.65%	6.84%
International Core																								
Brandywine	34,398,857	2.4%	2.5%	-0.09%	34,506,741	2.4%	2.5%	0.34%	34,416,657	2.4%	2.5%	-3.20%	35,468,468	2.5%	2.5%	9.22%	32,681,900	2.5%	2.5%	4.74%	11.01%	9.65%	N/A	N/A
<i>Lehman Global Aggregate (ex-US)</i>				-2.84%				1.27%				-3.01%				10.66%				3.49%	9.28%	5.20%	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	68,072,198	4.7%	5.0%	-1.49%	69,303,817	4.9%	5.0%	0.85%	68,734,914	4.8%	5.0%	-3.26%	70,913,327	5.0%	5.0%	9.81%	64,427,440	4.9%	5.0%	3.90%	9.66%	8.78%	14.41%	6.59%
<i>Citigroup Non-US Gov't Bond Index (2)</i>				-2.84%				1.42%				-3.10%				10.63%				3.29%	9.11%	7.59%	13.65%	6.84%
REAL ESTATE																								
JMB	-			N/A	-			N/A	-			N/A	-			-86.10%	10,054			16.49%	N/A	1.45%	-5.90%	-3.04%
INVESCO	36,894,531			0.00%	36,993,950			0.00%	36,999,490			4.64%	28,248,117			-0.43%	27,191,276			-5.91%	-1.97%	6.72%	5.80%	7.59%
J.P. Morgan	37,112,750			1.72%	36,585,267			3.06%	35,505,452			7.08%	36,463,461			2.85%	35,451,816			3.83%	19.87%	11.11%	7.63%	9.54%
TOTAL REAL ESTATE	74,007,280	5.1%	5.0%	0.85%	73,579,217	5.2%	5.0%	1.50%	72,504,943	5.0%	5.0%	5.81%	64,711,578	4.6%	5.0%	1.27%	62,653,146	4.8%	5.0%	-0.88%	8.73%	8.87%	6.70%	8.55%
<i>NCREIF TOTAL INDEX</i>				1.16%				1.16%				3.51%				4.66%				3.42%	14.65%	10.82%	8.40%	9.33%
ALTERNATIVE INVESTMENTS																								
Brinson IVCF II	170,179			0.00%	170,179			0.00%	170,179			0.00%	170,179			0.49%	169,353			0.40%	0.89%	19.39%	-7.72%	4.43%
Coral Partners II	123,675			0.00%	123,675			0.00%	122,330			0.45%	121,653			-0.07%	120,310			-0.35%	0.03%	14.14%	-16.27%	-15.91%
Coral Partners V	4,433,539			0.00%	4,449,104			0.00%	5,226,418			-6.15%	5,605,166			-4.59%	5,897,185			6.37%	-4.75%	-31.07%	-34.06%	-13.63%
Coral Partners V - Supplemental	584,898			0.00%	586,951			0.00%	683,271			3.00%	661,975			2.90%	701,331			2.37%	8.50%	30.44%	N/A	N/A
Coral Partners VI	4,259,009			0.00%	4,273,962			0.00%	4,322,127			2.42%	3,611,394			-2.08%	3,813,950			-0.28%	0.01%	-21.72%	N/A	N/A
Brinson 1998 Partnership Fund	1,419,578			0.00%	1,424,562			0.00%	1,423,673			13.33%	1,415,402			-0.98%	1,687,069			3.37%	16.00%	9.41%	-7.52%	3.66%
Brinson 1999 Partnership Fund	2,465,625			0.00%	2,828,328			0.00%	2,826,562			9.51%	2,575,629			2.80%	2,515,067			0.48%	13.11%	14.66%	-9.09%	-1.33%
Brinson 2000 Partnership Fund	5,054,780			0.00%	5,072,526			0.00%	5,069,360			8.48%	4,794,194			3.30%	4,658,652			3.01%	15.43%	11.19%	-6.65%	N/A
Brinson 2001 Partnership Fund	3,074,678			0.00%	3,362,967			0.00%	2,654,959			3.41%	2,562,002			1.05%	2,104,781			0.81%	5.34%	6.64%	-2.03%	N/A
Brinson 2002 Partnership Fund	1,678,229			0.00%	1,684,121			0.00%	1,683,070			4.15%	1,612,558			-4.00%	1,184,946			-4.97%	-4.98%	14.42%	N/A	N/A
Brinson 2003 Partnership Fund	365,569			0.00%	366,852			0.00%	366,623			2.31%	255,646			2.02%	158,669			-2.71%	1.55%	-4.63%	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,437,223			0.00%	1,442,269			0.00%	1,209,911			0.00%	1,463,105			7.91%	1,453,381			5.73%	14.09%	21.09%	8.14%	4.24%
Brinson 2000 Non-US Partnership Fund	1,823,162			0.00%	1,829,563			0.00%	1,672,677			0.00%	1,669,108			2.89%	1,772,133			3.24%	6.22%	15.38%	5.71%	N/A
Brinson 2001 Non-US Partnership Fund	1,420,819			0.00%	1,425,808			0.00%	1,260,832			0.00%	1,258,142			-1.63%	1,082,438			0.86%	-0.79%	16.63%	3.39%	N/A
Brinson 2002 Non-US Partnership Fund	2,640,209			0.00%	2,649,478			0.00%	2,446,626			-1.16%	2,059,600			6.60%	1,765,806			0.27%	5.65%	18.67%	N/A	N/A
Brinson 2003 Non-US Partnership Fund	954,909			0.00%	958,261			0.00%	912,987			1.17%	554,208			-0.78%	381,594			-0.12%	0.26%	-3.93%	N/A	N/A
Brinson 2004 Non-US Partnership Fund	294,335			0.00%	147,641			0.00%	146,405			0.00%	72,432			-1.76%	74,010			0.09%	-1.67%	N/A	N/A	N/A
Brinson BVCF IV	7,506,022			0.00%	7,709,310			0.00%	7,704,497			2.69%	7,486,656			-0.88%	8,328,279			6.66%	8.56%	21.17%	-9.85%	-10.01%
Matlin Patterson Global Opportunities	8,331,469			0.00%	8,171,981			0.00%	9,495,398			96.76%	5,585,887			4.11%	8,162,327			-3.26%	98.18%	13.00%	N/A	N/A
Matlin Patterson Global Opportunities II	4,026,740			0.00%	4,099,044			0.00%	3,505,807			0.00%	4,298,626			-1.12%	-			N/A	N/A	N/A	N/A	N/A
InvestAmerica	1,867,562			0.00%	1,874,118			0.00%	1,872,948			0.00%	1,868,953			0.00%	1,876,070			17.28%	17.28%	-7.73%	N/A	N/A
Hearthstone MSII	368,597			0.00%	369,892			0.00%	0			0.00%	0			536.18%	213,768			106.69%	1214.92%	28.64%	20.32%	N/A
Hearthstone MSIII	8,817,003			0.00%	9,770,520			0.00%	8,541,321			7.20%	9,777,218			1.26%	9,692,693			-0.08%	8.46%	N/A	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS (3)	63,117,809	4.3%	5.0%	0.00%	64,791,111	4.6%	5.0%	0.00%	63,317,983	4.4%	5.0%	11.73%	59,479,735	4.2%	5.0%	2.55%	57,813,811	4.4%	5.0%	2.90%	17.91%	3.23%	-12.85%	-1.69%
CASH EQUIVALENTS																								
Northern Trust STIF/STEP	10,341,076	0.7%	1.0%	0.24%	11,753,862	0.8%	1.0%	0.14%	18,081,719	1.3%	1.0%	0.49%	15,471,006	1.1%	1.0%	0.45%	17,787,580	1.4%	1.0%	0.44%	1.76%	1.44%	1.86%	3.48%
<i>90 Day T-Bill</i>				0.27%				0.22%				0.57%				0.48%				0.37%	1.92%	0.98%	1.71%	3.29%
TOTAL FUND	1,453,428,463	100.0%	100.0%	2.30%	1,423,186,617	100.0%	100.0%	-1.35%	1,444,194,531	100.0%	100.0%	2.23%	1,415,099,829	100.0%	100.0%	7.85%	1,311,913,079	100.0%	100.0%	0				